

# **HSBC*net***

Product Disclosure Statement

**Effective 9 December 2011**

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## Important Information

This Product Disclosure Statement (“PDS”) relates to the offer of HSBC*net* by HSBC Bank Australia Limited ABN 48 006 434 162, AFSL No. 232595 (referred to as “**HSBC**”, “**Bank**”, “**we**”, “**our**” or “**us**”), who is the issuer of this PDS.

This PDS was previously known as the Corporate Electronic Banking Product Disclosure Statement. Any reference in this PDS to Corporate Electronic Banking Product Disclosure Statement is a reference to this HSBC*net* Product Disclosure Statement.

This PDS is made up of this document and another separate document about fees and charges.

This PDS is dated as of the latest date borne by any of the documents which comprise it. This core document is dated 9 December 2011.

HSBC*net* is an online electronic banking channel designed for corporate customers.

This PDS describes HSBC*net* and should be read in full before a decision is made to acquire HSBC*net* from HSBC. The purpose of this PDS is to provide you with sufficient information to determine whether HSBC*net* meets your needs.

The information provided in this PDS is general and does not take into account your objectives, financial situation or needs. Before you acquire HSBC*net* you should consider whether it is appropriate for you having regard to your own objectives, financial situation and needs. If you do acquire HSBC*net*, we recommend that you retain this PDS for future reference.

Before you acquire HSBC*net* you will be required to sign a customer agreement. This agreement governs the relationship between you and HSBC and sets out the terms and conditions that apply to the provision of HSBC*net*. In particular, it sets out how we may be liable in relation to HSBC*net*. A copy of the customer agreement is available on request and we strongly recommend that you fully consider the terms before acquiring HSBC*net*. You should obtain independent advice if you do not understand any part of the agreements.

**Updates to information: Information relating to HSBC*net* may change from time to time. This information, where it is not materially adverse to you, may be updated and made available at [www.hsbcnet.com](http://www.hsbcnet.com) or by contacting HSBC on 1300 300 437. A paper copy of any updated information is available free of charge on request.**

If you received this document electronically or if you received any updated information other than in writing, we will provide a paper copy free on request.

**Our contact details**

HSBC Bank Australia Limited  
580 George Street, Sydney NSW 2000  
Phone: 1300 300 437  
Fax: (02) 9006 5777  
[www.hsbc.com.au](http://www.hsbc.com.au)

# Features and Benefits of HSBCnet

HSBCnet is a computer based corporate electronic banking channel which provides you with access to a range of online financial solutions.

With real-time global account access and customisable setup features, you can set up HSBCnet in a way which allows you to manage, monitor and control your organisation's financial function.

The recommended system requirements for HSBCnet can be found at [www.hsbcnet.com/online/about-hsbcnet/getting-started/system\\_req.html](http://www.hsbcnet.com/online/about-hsbcnet/getting-started/system_req.html)

A paper copy of this is available free of charge from HSBC upon request.

## Security Features

<b>Administrative controls</b>	<p>You will need to appoint System Administrators to operate HSBCnet. Once appointed, System Administrators are responsible for the administrative control and maintenance of your HSBCnet profile including appointing Users and assigning the nature of each User's access to HSBCnet.</p> <p>HSBCnet can be set up so that your System Administrators operate the system under either sole or dual authority. HSBC recommends that System Administrators operate the system under a dual authority set up. If you wish to set up HSBCnet to operate under dual authority, you will need to appoint at least 2 System Administrators.</p>
<b>Authentication controls</b>	<p>The minimum credentials required to log on and perform administrative or financial transactions on HSBCnet are a Username and a Security Code.</p>

<p><b>Authentication controls</b> <i>(continued)</i></p>	<p>The Security Code is generated by a Security Device that will be issued to each System Administrator and User set up on HSBCnet. The generation of the Security Code is based on a User set pin number for the relevant Security Device. The Security Code is a one time password and can only be used at the time it is generated.</p>
<p><b>User access levels</b></p>	<p>The nature of each User's access can be customised to suit your organisation's requirements. When setting up Users, the System Administrator will nominate the access levels (including any transaction limits) that will be granted to each User. For example, a User can be set up to request transactions on your accounts, authorise transactions on your accounts or view your account information only.</p> <p>You can appoint an unlimited number of Users on HSBCnet.</p> <p>The set up and on going maintenance of Users and their access levels is to be done by your System Administrators.</p>
<p><b>Transaction authorisation controls</b></p>	<p>HSBCnet allows you to nominate the authorisation controls you wish to apply for your transactions on HSBCnet. This includes allowing you to nominating the number and the combination of Users required to authorise a transaction. You may choose to apply different combinations depending on the nature and/or the value of the transaction.</p>
<p><b>Encryption</b></p>	<p>Each session on HSBCnet is encrypted (SSL v.3 128 bit).</p>
<p><b>Management Information</b></p>	<p>HSBCnet allows you to generate reports to show audit trails for administrative and transactional activities.</p>

For additional information on the security features of HSBC*net*, please visit [www.hsbcnet.com/online/about-hsbcnet/security\\_access.html](http://www.hsbcnet.com/online/about-hsbcnet/security_access.html)

A paper copy of this is available free of charge from HSBC upon request.

## Transactional Features

The table below lists the transactional products and services that may be accessible via HSBC*net*.

<b>Payments</b>	Payment types and payment related functionalities which are available on HSBC <i>net</i> include: <ul style="list-style-type: none"><li>• Priority Payments (eg Telegraphic Transfers, RTGS) for overseas and sameday local transactions.</li><li>• Inter-Account Transfers between your HSBC accounts</li><li>• Domestic Bulk Payments (ie Single Debit/ Multiple Credit) for local bank transfers and ACH/payroll transfers.</li><li>• Cheque Outsourcing</li><li>• Get Rate during payment authorisation which allows real-time FX rate</li><li>• Beneficiary Advising</li><li>• File upload and file import for bulk payments</li><li>• Payment of bills displaying the BPAY® symbol</li><li>• Payment status enquiry</li><li>• Payment amendment and cancellation request.</li></ul>
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<p><b>Collection</b></p>	<p>Collection related services available on <i>HSBCnet</i> include:</p> <p>Reports and files download including daily detailed collection reports, daily detailed cheque reports and daily good funds reports.</p> <p>Lockbox cheque and remittance enquiries including retrieval of images for both cheques and remittances.</p> <p>Payor maintenance and upload allowing for reconciliation of your receivables ledger using payor/ customer details provided by you</p>
<p><b>Reporting (Account Information)</b></p>	<p>Reporting functionalities available on <i>HSBCnet</i> include:</p> <ul style="list-style-type: none"> <li>• Balance and transaction reporting;</li> <li>• Reports and files download which provide the option of standardised or customisable reports;</li> <li>• Report writer within <i>HSBCnet</i> allows you to create customised reports for data such as balances, statements and payment status reporting;</li> <li>• Set up of customised alerts to advise your Users via sms or email when an account is above or beyond a pre-defined balance, or when there has been a debit or credit transaction on that account.</li> </ul>
<p><b>Internet Trade Services</b></p>	<p>You can use <i>HSBCnet</i> to perform the following Internet Trade Services:</p> <ul style="list-style-type: none"> <li>(a) view information regarding import and export accounts, trade facilities and trade authorisations;</li> <li>(b) submit import documentary credit applications and requests;</li> </ul>

**Internet Trade Services**  
*(continued)*

- (c) create and amend frequently used templates and trade services clauses;
- (d) view import bill instructions and submit bill acceptance and bill payment instructions; and
- (e) view export documentary credit transfers and submit transfer documentary credit instructions. Internet Trade Services are only available if you have been provided with relevant and necessary HSBC trade facilities. The use of Internet Trade Services is subject to the terms and conditions applying to such HSBC trade facilities (as amended from time to time). An instruction provided to HSBC through HSBC*net* is taken to be an instruction given under the relevant facility terms and conditions governing your HSBC trade facilities.

Use of Internet Trade Services may be subject to a fee. Please refer to the relevant fees and charges guide for details.

**Guarantees and Standby Letters of Credit**

You can use HSBC*net* to do the following in respect of guarantees and standby letters of credit:

- (a) view information regarding your outstanding guarantees and/or standby letters of credit;
- (b) apply for a guarantee or a standby letter of credit; and
- (c) request a cancellation of a standby letter of credit.

**Guarantees and Standby Letters of Credit** *(continued)*

Access to these functionalities for guarantees and/or standby letters of credit is only available if you have been provided with relevant and necessary HSBC guarantee and/or standby letter of credit facilities. The use of these functionalities is subject to the terms and conditions applying to such HSBC guarantee and/or standby letter of credit facilities (as amended from time to time). An instruction provided to HSBC through HSBC*net* is taken to be an instruction given under the relevant facility terms and conditions governing your HSBC guarantee and/or standby letter of credit facilities.

Use of these guarantees and/or standby letters of credit functionalities may be subject to a fee. Please refer to the relevant fees and charges guide for details.

Access and use of the above products, and services may be subject to separate terms and conditions and such products and services may be described further in other product disclosure statements. Not all products and services will be available to all customers. You should speak to your Relationship Manager or by calling our Customer Service Line on 1300 300 437.

Also, depending on the type of equipment that you elect to use to access HSBC*net*, you may not be able to access all of the above transactional features. For example, if you elect to access HSBC*net* via a smart phone or other similar mobile device, then depending on your smart phone or mobile device, its compatibility with HSBC*net* and the way in which you elect to access HSBC*net*, some of the above features may not be available.

# Significant Risks

Use of an electronic internet banking channel like HSBC*net* may involve some risk including those described below.

## Internet and Computer

You are responsible for acquiring and maintaining any equipment required for continued access to and use of the channel. All reasonable steps must be taken to protect the equipment, hardware and software including ensuring that an appropriate firewall and/or other protective measures such as anti-virus software are installed on the equipment and that the equipment is free of viruses. If you do not take adequate internet security precautions there is a risk your security may be compromised which could lead to unauthorised and fraudulent transactions.

In accessing HSBC*net* via the telecommunications equipment you should be aware that a communications line failure will impact your ability to access the system. This could result in delays in receiving account information and delivering transactions to HSBC. HSBC will not be responsible for any losses suffered by you as a result of line failure.

## Access and Control Risks

In order to access and use HSBC*net*, you are required to nominate System Administrators and Users to access HSBC*net* on your behalf. Once nominated and set on HSBC*net*, System Administrators have the ability to establish new Users and set all access entitlements applying to other System Administrators and Users. This includes entitlements to view, create and/or authorise payments or other transactions from your accounts and the setting of the maximum transactional limits applying to each of these persons. Depending on the entitlements granted to them by a System Administrator, a User or System Administrator who is authorised access and make payments from, or perform other transactions on, your accounts, may be able to access and transact on your accounts without the involvement or knowledge of another User or System Administrator. It is therefore your responsibility for setting up appropriate persons as System Administrators or Users, and to assign appropriate access entitlements to such persons, on your behalf. The risk of this not being done properly is that access to your accounts may be set up in a manner which is not appropriate for your business.

You should therefore have proper controls and processes within your business to address and monitor this.

## Compromise of Access Methods

In order to access and use *HSBCnet*, you will be provided with various access methods including for example, usernames, pins, passwords and Security Devices. We refer to these as your Access Methods. It is your responsibility to ensure that these Access Methods are not compromised. If this occurs, there is a risk that your accounts will be accessed without your consent and unauthorised transactions may result.

The effectiveness of *HSBCnet* security features will be compromised if appropriate controls are not put in place in respect of your Access Methods. All Access Methods must be stored by you or your Administrators or Users, in a safe place at all times. If you suspect or are aware that an Access Method may be, or has been, compromised, you must report this to HSBC immediately. Any lost Security Devices must also be reported immediately.

HSBC will not be responsible for any misuse of any Access Method, nor will HSBC be liable for any unauthorised or mistaken transactions which may arise as a result.

## Email and Online Communication

You can send secure emails to HSBC via *HSBCnet*. You should consider the inherent risks in sending instructions, passwords and updating your details by email. You need to consider the security of the email and ensure you are only connecting to <http://www.hsbcnet.com>

You should also be aware of internet and email scams which may mislead you into providing your financial details to an unknown party.

# Fees and Charges

HSBC regularly reviews the fees and charges that apply to its financial services to ensure that its products and services remain competitive.

The fees applicable to HSBC*net* as at the date of this PDS are:

<b>Fees or Charge</b>	<b>Price (inclusive of GST)</b>
Implementation Fee	\$1100.00
Monthly Service Fee	\$165.00 per month
Security Devices Charge	\$22.00/per device
Initial On-site Training Fee – Including any non-standard services	\$660.00
Additional training via Webex or onsite	\$110.00 per hour

In addition, other fees and charges may apply when accessing transactional products or services via HSBC*net*. The specific fees and charges applicable to these will be set out in the separate fees and charges guide comprising part of this PDS. You can obtain another copy by asking your Relationship Manager or by calling our Customer Service Line on 1300 300 437.

# Taxation

Some costs and charges related to HSBC*net* may be classified as taxable supplies under GST legislation. You may be liable for government charges, duties and tax relating to transactions carried out through HSBC*net*. Refer to the separate fees and charges guide comprising part of this PDS.

# Cooling Off

There is no cooling-off regime that applies to HSBC*net*.

## Bill Payments – BPAY<sup>®</sup> Scheme

Provisions under this section titled “Bill Payments - BPAY<sup>®</sup> Scheme” apply if and when HSBC is instructed to make a BPAY<sup>®</sup> payment using *HSBCnet*.

These provisions operate in conjunction with the terms and conditions for *HSBCnet* and the terms and conditions applying to the account from which the BPAY<sup>®</sup> Payment is being made. BPAY<sup>®</sup> Payments can be made from any account held with us in Australia.

If there is any inconsistency between the terms and conditions applying to the account from which a BPAY<sup>®</sup> Payment is to be made and the provisions set out under this section, these provisions prevail to the extent of the inconsistency.

### **(a) BPAY<sup>®</sup> Payment Instructions**

The following information must be given to HSBC to instruct it to make a BPAY<sup>®</sup> Payment:

- (i) the Username,
- (ii) where requested by HSBC, the Security Code;
- (iii) the account from which the payment is to be made;
- (iv) the amount to be paid;
- (v) the Biller’s code number (found on the bill); and
- (vi) the Customer Reference Number (eg. the account number with the Biller).

HSBC will then debit your account with the amount of that BPAY<sup>®</sup> Payment. HSBC will not be obliged to effect an instruction to make a BPAY<sup>®</sup> Payment if the information given is incomplete and/or inaccurate.

### **(b) Processing Payments**

Generally, a BPAY<sup>®</sup> Payment will be treated as received by the Biller to whom it is directed:

- (i) on the date HSBC is told to make it, if this occurs before the Payment Cut-off Time on a Banking Day; or
- (ii) otherwise, on the next Banking Day.

A delay might occur in the processing of a BPAY® Payment where:

- (i) there is a public or bank holiday on the day after HSBC is told to make a BPAY® Payment;
- (ii) HSBC receives an instruction from you to make the payment on a day which is not a Banking Day or after the Payment Cut-Off Time on a Banking Day; or
- (iii) a Biller, or another financial institution participating in the BPAY® Scheme, does not comply with its obligations under the BPAY® Scheme.

While it is expected that any delay in processing a payment for any of these reasons will not continue for more than one Banking Day, any such delay may continue for a longer period. It is your responsibility to allow for sufficient time for processing of payments to the Biller.

You must be careful to tell HSBC the correct amount to be paid. If the amount HSBC was instructed to pay was less than the amount needed to be paid, another BPAY® Payment should be made for the shortfall. If the amount HSBC was instructed to pay was greater than the amount intended, the Biller should be contacted to obtain a refund.

HSBC will attempt to make sure that BPAY® Payments are processed promptly by Billers and other participants in the BPAY® Scheme.

HSBC will not accept an order to stop a BPAY® Payment once it has been instructed to make that BPAY® Payment.

If HSBC is advised by a Biller that a BPAY® Payment cannot be processed, HSBC will:

- ▶ advise you of this;

- ▶ credit the relevant account with the amount of that BPAY® Payment; and
- ▶ take all reasonable steps to assist in making the BPAY® Payment as quickly as possible.

### **(c) Liability for unauthorised, fraudulent or mistaken payments**

A mistaken BPAY® Payment is a BPAY® Payment to a person or for an amount which is not in accordance with the instructions given to HSBC, if any. If your account is debited with the amount of a mistaken BPAY® Payment, HSBC will credit that amount to your account. However, you must pay HSBC the amount of a mistaken BPAY® Payment if you are responsible for a mistake resulting in that payment and HSBC cannot recover the amount from the person who received it within 20 Banking Days of attempting to do so.

You acknowledge that the receipt by a Biller of a mistaken or erroneous payment does not or will not constitute under any circumstances part or whole satisfaction of any underlying debt owed between you and that Biller.

If you notify HSBC that a BPAY® Payment made from your account is unauthorised, you must provide HSBC with a written consent addressed to the Biller who received that BPAY® Payment, allowing HSBC to obtain from that Biller information about your account with that Biller or the BPAY® Payment, including your customer reference number and such information as is reasonably required to investigate the BPAY® Payment. If you do not give that consent to HSBC, the Biller may not be permitted under law to disclose to HSBC the information it needs to investigate or rectify that BPAY® Payment.

### **(d) Damage and indemnity**

Subject to the terms and conditions for HSBC*net* and the terms and conditions of the account from which the BPAY® Payment was made:

- (a) HSBC is not liable for any loss or damage you may suffer as a result of using the BPAY® Scheme, other than due to any loss or damage you suffer due to the negligence of HSBC, or in relation to any breach of a condition or warranty implied by law in contracts for the supply of goods and services and which may not be excluded, restricted or modified at all or only to a limited extent; and

- (b) you indemnify HSBC against any loss or damage it may suffer due to any claim, demand or action of any kind brought against it arising directly or indirectly because you acted negligently or fraudulently in connection with these BPAY® Terms.

### **(e) Suspension**

HSBC may at any time suspend your right to participate in the BPAY® Scheme and will do so without notice if HSBC suspects a User, or someone acting on your behalf, of being fraudulent. Where possible, we will give you advance notice of any suspension of your right to participate.

BPAY® Payments for which instructions have been given and which are scheduled to be made while your right to participate in the BPAY® Scheme is suspended will not be processed by HSBC.

### **(f) Changes to these BPAY Terms**

HSBC may change these BPAY® Terms to comply with changes in the operation of BPAY®; to reflect any changes that HSBC makes to HSBC*net* or for security reasons. HSBC will give you notice in advance of the date the change takes effect;

As a result of any change to these BPAY® Terms that HSBC may make, or for any other reason, you may, at your option, choose no longer to use the BPAY® Scheme.

# Dispute Resolution

The following complaint handling procedures apply to HSBC*net*.

## Introduction

At HSBC we are committed to the delivery of excellence through the highest customer service standards. Whether you are providing feedback, paying a compliment or making a complaint, your input is important.

We aim to resolve most issues within five working days. If more complex, it can take longer but we'll keep you informed of progress.

## Making a Complaint

If you have any concerns about a procedure, compliance issue, or have encountered a problem with our service, we want you to tell us about it. Either contact your Relationship Manager or call us on 1300 300 437 or make your concern known at your branch where the Branch Customer Service Manager should be able to resolve the problem; if not, the Branch Manager can undertake further investigation and action.

## Customer Relations

If your complaint hasn't been resolved to your satisfaction, contact our Customer Relations Complaints team:

Toll Free: 1300 308 188

Facsimile: (02) 9255 2647

Mail: Customer Relations Team - HSBC Bank Australia Limited, 580 George Street Sydney NSW 2000

Or you can log onto our website, [www.hsbc.com.au](http://www.hsbc.com.au) and record your complaints or feedback via the "Contact Us" icon.

Our front line staff, managers or Customer Relationship team should be able to resolve any issues you raise. If we are unable to resolve your complaint immediately to your satisfaction, we will advise you of the procedures for the further investigation and handling of your complaint and may ask you to provide further details.

We will investigate your complaint and within 21 days of receiving your complaint write to you, explaining the outcome of our investigation or that more time is needed to complete the investigation.

Unless there are exceptional circumstances, we will complete our investigation within 45 days of receiving your complaint. If we are unable to resolve your complaint within 45 days, we will write to you and inform you of the reasons for the delay and provide you with monthly updates on the progress of its investigation and an indication of when your complaint is likely to be resolved, except where we are awaiting a response from you and you have been advised that it requires such a response.

## Results of HSBC's Investigations

When we complete our investigations of your complaint, we will notify you in writing of:

- ▶ the result;
- ▶ the reasons for our decision with reference to the relevant provisions of the Terms and Conditions; and
- ▶ any further action you can take in respect of your complaint.

If any of your accounts with us is found to have been incorrectly credited or debited, HSBC will adjust your account accordingly (including any interest and charges) and notify you in writing of the amount of the adjustment.

If we find that you are liable for all or part of the disputed transaction, we will supply you with copies of any document or other evidence on which we based our findings, and advise you in writing, if there was any system or equipment malfunction at the time of the transaction.

If you are not satisfied with the decision, you may wish to take the matter further. You may, for instance, contact the Financial Services Ombudsman.

## Financial Ombudsman Service

The Financial Ombudsman Service (**FOS**) scheme is an impartial, independent and free service for personal and small business customers.

For more information refer to the FOS website [www.fos.org.au](http://www.fos.org.au)

You can contact the FOS by writing to:

Financial Ombudsman Service

GPO Box 3 Melbourne, VIC 3001

Phone: 1300 780 808

Facsimile: (03) 9613 6399

Email: [info@fos.org.au](mailto:info@fos.org.au)

# Glossary of Terms

**Banking Day** means, for any purpose, any day other than a Saturday or Sunday on which one or more of HSBC's branches are open in Australia.

**Billers** means an organisation which tells you that you can make payments to it through the BPAY® Scheme.

**BPAY® Payment** means a payment you instruct HSBC to make on your behalf to a Biller through the BPAY® Scheme.

**BPAY® Scheme** means an electronic payments scheme through which you ask HSBC, while HSBC remains a member of the scheme, to make payment on your behalf to Billers. HSBC will tell you if it ceases to be a member of the scheme.

**BPAY® Terms** means the terms and conditions set forth in the section of this PDS titled "Bill Payments - BPAY® Scheme".

**Payment Cut-Off time** means the time in Sydney after which HSBC will not process or make any further payments on that day.

**Security Code** means an unpredictable code generated by a Security Device at predetermined intervals, to be used, in conjunction with a Username to access *HSBCnet*.

**Security Device** means the physical device which HSBC may provide to each System Administrator and User which generates a new Security Code at predetermined intervals.

**System Administrator** means a person appointed by you to perform administrative and/or other functions on your behalf on *HSBCnet*.

**User** means any person authorised by you to use *HSBCnet*.

**Username** means the code comprising alpha-numeric characters set up by a User to be used with the Security Code to access *HSBCnet*.



Call 1300 300 437

Visit [hsbc.com.au/corporate](https://www.hsbc.com.au/corporate)

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